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A 1981 graduate from John F. Kennedy University Law School, Judith Robbins has been practicing municipal law for 26 years. For the last 16 years, she has been a sole practitioner in Walnut Creek, working as a consultant and special counsel to Bay Area city attorneys. She is also a graduate of the University of California at Berkeley (anthropology; English), a former Peace Corps volunteer (Tanzania, East Africa), a mother and a grandmother.

Zoning Permits and Business Licensing What Every Small or Home-Based Business Should Know

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Business Licenses

Many (but not all cities) charge a business license tax. The purpose of the business license tax is to raise revenue for the city, and is one of the very few ways cities still have to raise money.

The business license tax may be based on a flat fee, depending on the type of business, or on the annual gross receipts, or sometimes on the number of employees.

To find out if the city or county (unincorporated areas of the county) where you plan to locate your business has a business license tax:

- Go online to the City's website and look under Business Licenses, sometimes under the Finance Department; or
- Call the City's Finance Department and ask for the Business License division, and ask about application forms and rates.

Often you can either download or fill out the business license application form online.

On page 4 is business license contact information for various local cities and counties.

Zoning Compliance

General.

Every city and county has zoning regulations. These regulations control what land uses are permitted in various zoning districts in the city (or county). There are residential zoning districts, commercial zoning districts and industrial zoning districts, and specific types of districts within each of these categories.

Your business must comply with the city's zoning regulations. For example, manufacturing may not be allowed in a retail business district. If a business is located in the home, there will be certain limitations.

Your business may be:

- a permitted use (with no additional requirements);
- a conditional use (in which case you may need a use permit from the city);
- a home occupation (a special type of use, where a business is permitted in a residential zone, often subject to a special home occupation permit); or
- prohibited in the zone.

Before you set up your business, and especially before signing a lease or purchasing a building for your business, be sure to find out what zoning district you are in, and whether the business you plan is permitted there. You can find out this information by looking up the city's zoning ordinance in the Municipal Code (online or at local libraries) or by calling or visiting the zoning or planning department of the city. Look up your zoning district and check the regulations. If you have a home occupation, look under the residential zoning regulations.

Home occupation permit.

If you are planning a home-based business, check on the specific home occupation requirements for your city. Usually a home occupation permit is required, and you must apply for this at the city's planning (or community development) department. The purpose is to protect the residential character of the area. Typical home occupation requirements include:

- conducting the business inside the home, with no visible evidence outside
- only one vehicle used in connection with the business
- no exterior signs
- street address is not listed in the telephone book or any advertising
- does not generate traffic in excess of that normally associated with a residential
- requires no additional parking spaces
- does not cause unusual smoke, dust, odor, noise, refuse
- does not involve more than one (or sometimes two) nonresident employee

On the following page is contact information for zoning issues for various local cities and counties. Following that is a typical home occupation regulation from the City of Pleasant Hill Municipal Code.

Business Licenses and Zoning Compliance Contact Information

	General information	Business Licenses	Planning & Zoning (Home occupation references)
CITIES			
Antioch	www.ci.antioch.ca.us 925- 779-7000	Title 3, Chapter 1 925-779-7059	§9-5.902 925-779-7035
Benicia	www.ci.benicia.ca.us	BMC Chapter 5.04 707-746-4325	Title 17, Zoning 707-746-4280
Berkeley	www.ci.berkeley.ca.us	Chapter 9.04 510-981-7200	Chapter 23C.16 510-981-7400
Brentwood	www.ci.brentwood.ca.us 925.516-5400	Chapter 5 925-516-5460	Chapter 17.840 925-516-5405
Concord	www.ci.concord.ca.us	925-671-3078	925-671-3152
Danville	www.ci.danville.ca.us	Chapter 3-6 925-314-3310	925-314-3326
Lafayette	www.ci.lafayette.ca.us	Chapter 4-3 925-299-3227	925-284-1976
Martinez	www.cityofmartinez.org	925-372-3579	925-372-3515
Orinda	www.ci.orinda.ca.us 925-253-4200	,	Title 17, Zoning 253-4210
Pleasant Hill	www.ci.pleasant- hill.ca.us (click on Business Here) 925-671-5270	Chapter 5.05 925-671-5234	§18.20.070 925-671-5209
Richmond	www.ca.richmond.ca.us	Chapter 7.04 510-620-6742	Art. 15.04.100 510-620-6706
Walnut Creek	www.ci.walnut- creek.ca.us 925-943-5800	925-943-5821	§10-2.3.107 925-256-3558
COUNTIES			
Alameda County (if business located in an unincorporated area)	www.acgov.org	Chapter 3.04 510-670-6400	§ 17.52.210 510-670-5400
Contra Costa County (if business located in an unincorporated area)	www.co.contra- costa.ca.us 925-335-1080		§ 82-4.240 925-335-1290
Solano County (if business located in an unincorporated area)	www.co.solano.ca.us	Chapter 11, Art. VII	Chapter 28

City of Pleasant Hill Example of home occupation requirements Pleasant Hill Municipal Code

18.20.070 Home occupations.

The following supplemental regulations shall apply to home occupations. Restrictions upon home occupations are an accommodation between the values fostered by the preservation of areas for residential living, and the liberty to conduct private, nonintrusive economic activity in one's home. The standards set forth in this section are intended to guide the review of home occupation applications and to encourage the accommodation of those values when deciding to grant or deny home occupation permits.

- A. <u>Permit required.</u> In order to engage in a home occupation a person must first obtain a home occupation permit from the zoning administrator. The existence of any of the following shall create a presumption that there is a home occupation for which a permit is required:
 - 1. Personal services conducted for pay on the premises;
 - 2. The maintenance on the premises of an inventory of materials used in producing a commercial product; or
 - 3. The regular advertising of the residential address.
- B. <u>Duties of the zoning administrator</u>. Upon receipt of a complete application for a home occupation permit, the zoning administrator may issue a home occupation permit. The permit may be issued without a hearing only if the applicant will not store significant product inventory or materials related to the occupation at his or her home; the occupation will generate little or no pedestrian or vehicular traffic; and the occupation will involve the provision of a service at a location other than the applicant's home (e.g., gardening, housekeeping, etc.), or will be limited to the drafting and mailing of written documents (e.g., bookkeeping, typing services, etc.). In all other cases, the zoning administrator shall provide notice of the application pursuant to PHMC Chapter 18.120 and shall consider information presented at the hearing. The zoning administrator shall issue a home occupation permit upon finding that the home occupation will conform to the standards of this subsection.
- C. <u>Standards</u>. A home occupation shall comply with the following standards and conditions:
 - 1. The home occupation is conducted entirely within the dwelling unit unless otherwise allowed under subsection C.14 of this section:
 - 2. There is no regular sale or delivery of products to customers at the premises;
 - 3. There is not more than one vehicle used primarily in connection with the home occupation;

- 4. There is no storage on the premises within public view of materials, products, equipment, fuel or other substances not commonly associated in kind or amount with residential use:
- 5. There is no sign associated with the home occupation or its products or services:
- 6. The street address of the home occupation is not listed in the telephone book, newspaper, or other published advertising media or flyers;
- The home occupation does not generate traffic in excess of that which is normally associated with residential use and requires no additional parking space;
- 8. The home occupation does not require reconstruction or alteration of the exterior of the dwelling unit;
- 9. The home occupation does not cause smoke, dust, light, odor or other emissions which would otherwise interfere with the residential use of the zone;
- 10. The home occupation does not involve the raising or slaughtering of animals;
- 11. The home occupation does not generate quantities or types of refuse or trash which would be abnormal for residential pick-up and collection services;
- 12. The home occupation does not involve more than one nonresident;
- 13. The home occupation does not involve any illegal conduct including, but not limited to, operation of a business without a business license, or result in any other encroachment upon the values served by residential use restrictions including, but not limited to, the deterioration of the physical appearance of the property, or have any other substantial detrimental impact upon adjacent residents; and
- 14. An otherwise allowed home occupation may be conducted outside the dwelling only if the zoning administrator makes a written finding that the home occupation will not have an adverse effect on the neighborhood. In doing so, the zoning administrator may impose reasonable conditions necessary to ensure that the home occupation will comply with the provisions of this section.
- D. <u>Conditions of permit issuance</u>. The zoning administrator may impose reasonable conditions on the home occupation permit to ensure compliance with the standards of this section.
- E. <u>Transferability</u>. The validity of a home occupation permit shall not be affected by a change in ownership provided the new owner applies to the zoning administrator for a transfer. No notice or public hearing is required for a transfer.

Nolo Press

Nolo Press is an excellent resource for legal materials and information for non-lawyers.

You can find out more about the Nolo Press publications:

- Online at www.nolo.com
- At the Nolo Press outlet bookstore:
 950 Parker Street

Berkeley, CA 94710

510-704-2248 Monday through Friday 9AM to 6PM Saturdays 10AM to 5PM Closed on Sundays.

- At many local libraries, including the Contra Costa County Library in Pleasant Hill.
- At many local bookstores, under reference materials.

Some of the Nolo Press publications for small businesses include:

Choosing the Best Ownership Structure for Your Business

The Essentials of a Business Plan

Pros and Cons of Freelancing, Contracting, and Consulting

Buying or Selling a Business: an Overview

Create a Strategic Plan for Your Nonprofit

When Your Business Ships Goods

When Do I Need an Employment Lawyer?

Trade Secrets and Nondisclosure Agreements

Enforcing Your Trademark Rights

Getting Permission to Publish: Ten Tips for Webmasters

Should You License or Assign Your Art?

When Copying is Okay: The "Fair Use" Rule

You Don't Need a Lawyer to Get a Patent